



Annual General Meeting
31 August 2020

Keytone Dairy

A rapidly growing health and wellness company

- Keytone is an established manufacturer, exporter and brand owner of formulated dairy and health and wellness products
- Houses a health halo stable of brands, including KeyDairy, Tonik and SuperCubes
- The Company's purpose-built and fully accredited production facilities in Australia and New Zealand offer a wide range of dairy, health and wellness and nutritional packing solutions, including powders, UHT long life drinks and protein bar capability
- Our facilities and accreditations meet diverse and broad needs of consumers from different markets and cultures
- Keytone is a trusted production partner, contract packing for well-known brands in Australia, New Zealand and internationally including Walmart China, Nouriz, Bellamy's Organic and Iovate



Our Brands and Selected Proprietary Products

KeyDairy®
MILK POWDER



Tonik
DRINKS



**SUPER
CUBES**
SNACKS / FROZEN



Gran's
CONFECTIONARY



New Zealand Capabilities

Diversified manufacturing capabilities built to scale

New Zealand Operations

- Fully operational second purpose built facility in Christchurch, New Zealand
- Commissioned and operational in March 2020
- Constructed to comply with the highest food grade standards
- Fully accredited and licensed by the New Zealand Ministry of Primary Industries
- Infant formula capable
- Highly automated plant and equipment with first of its kind technology in New Zealand
- New facility more than triples its product manufacturing capacity in New Zealand on a one shift basis
- Driving operational leverage and efficiencies

Australian Capabilities

Diversified manufacturing capabilities built to scale

Australian Operations

- Powder facilities integrated into the large and modern Mordialloc facility
 - Highly automated plant and equipment
 - Dedicated multi-room blending and warehousing facility
 - 9 accredited packing rooms, including dairy-free, gluten free
 - New in-house product development laboratory
- Powder Packing Capabilities include: Jars & Tubs, Buckets, Composite Containers, Doy Bags, Pillow & Block Bottom, Sachets
- First contract manufacturer of ultra high temperature (UHT) PET bottled products in Australia
 - Production of long-life drinks at aseptic site including sports nutrition, weight loss and non-dairy drinks
 - Ranging in size from 225ml up to 450ml

Our Accreditations

Obtained and maintained all necessary accreditations



Certification and Accreditation Administration (CNCA) accredited



New Zealand Ministry for Primary Industries (New Zealand MPI) Risk Management Program Certified



Organic & Organic Exporter Certification from New Zealand Ministry for Primary Industries



AA Accreditation received from the British Retail Consortium (BRC)



Halal certified by the Federation of Islamic Associations of New Zealand (FIA)



Dairy Safety Victoria certified



Halal certified by Halal Australia



Australian Certified Organic Manufacturer



Selected Clients

Selected blue chip clients



Our Distribution Channels / Partners

A growing distribution footprint for our proprietary brands

Grocery	Dept. Stores	Petrol & Convenience	E-Commerce
 Woolworths  INDEPENDENT GROCERS for Australia   ROMEO'S family owned - community minded  	  	 CALTEX  METRO PETROLEUM 	   Improving stores  JD.COM  天猫 TMALL.COM www.keydairy.co www.supercubes.com.au

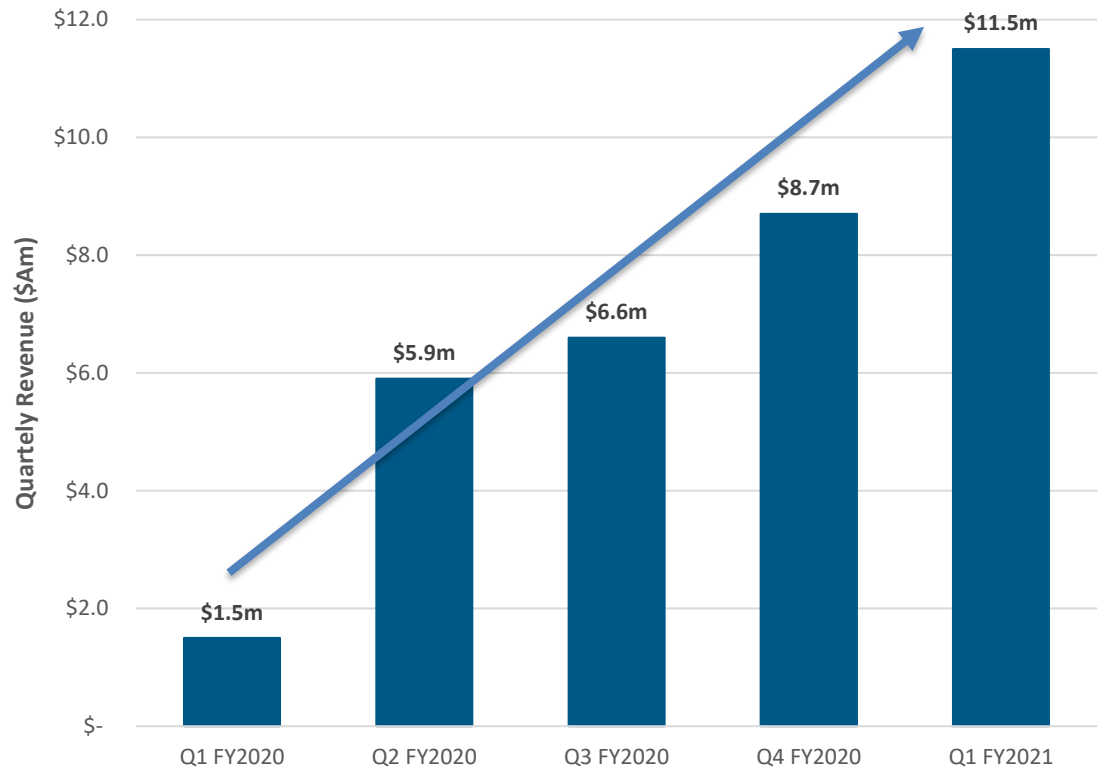
In addition to the above distribution partners and channels, Keytone Dairy also works closely with multiple distribution partners and agents across the globe, including China, South-East Asia, Middle East, Australia and New Zealand. Through the next 12 months further distribution into existing markets and new geographic markets being targeted for further product ranging including the pharmacy channel

Note: Different distribution partners and channels distribute/range various Keytone Dairy proprietary products. The complete product range is not stocked by all partners in all channels

Strong Financial Trajectory

Rapid sales growth achieved over the last 18 months

- Total Sales for FY20 increased to \$22.5 million from \$2.5 million the prior financial year¹
- Strong quarter on quarter sales growth through the year, rapid growth trajectory continuing into this financial year
- First quarter of FY21 delivered a record sales quarter of \$11.5m, growth expected to continue
- Sales in New Zealand for FY20 doubled to \$5.0m compared with \$2.5m the prior year
- Continued growth realised in the China and broader Asia business, substantial new clients signed through the FY20 year including Walmart China and Nouriz, with repeat and large orders received
- Cash receipts from customers increased through the FY20 year to \$A24.68 million, ahead of sales for the same period
- As a result of the acquisitions and the integration of the acquired businesses, a large number of one-off non-recurring acquisition costs, advisory expenses and integration expenses were incurred during the period
- Balance sheet further strengthened in FY21 year - Keytone undertook a successful \$12.5 million placement to institutions and sophisticated investors, with scale backs applied. Additionally, a Share Placement Plan was undertaken to all eligible shareholders.



Note: 1. Result incorporates only 8 months of Omniblend and 5 months of Super Cubes performance

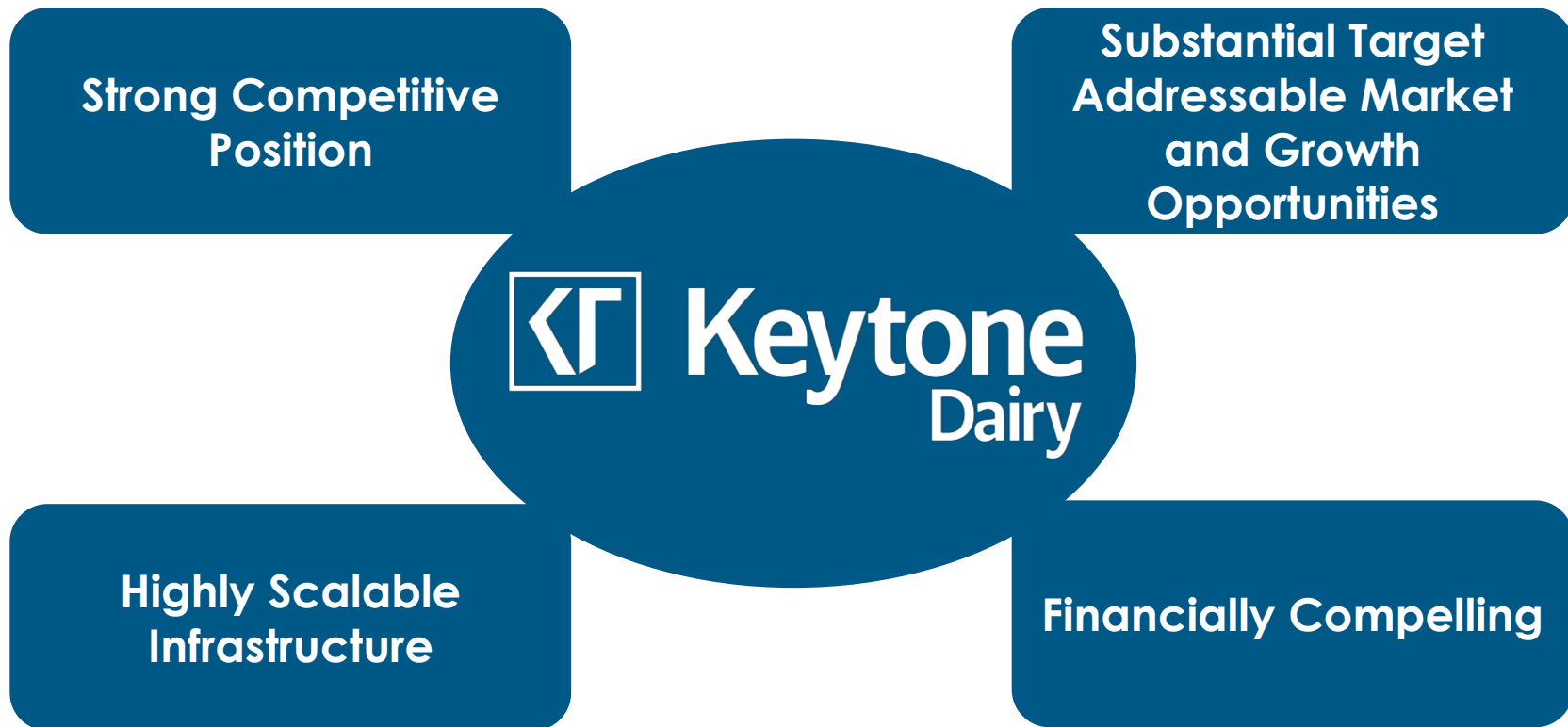
COVID-19

Impact to Keytone Dairy

- Increase in demand is being recorded across all business units in both Australia and New Zealand
- All six Keytone manufacturing sites are classified as essential businesses by Governments and have been fully operational throughout the pandemic
- Demand for formulated milk powders have experienced a significant increase in demand
- Increase in orders and inbound enquiries from private label clients for shelf stable food staples as a result of COVID-19, as demand for these products continues to grow both internationally and domestically
- Increase in inbound queries from new clients wishing to diversify their supply chain and ensure continuity of supply is broadening the client base and financial performance of the business
- Keytone is ideally positioned in the market to capitalise on the structural shift in the consumption patterns of consumers globally, with a heightened focus on health and wellbeing



Core Investment Highlights





Keytone
Dairy